

EXECUTIVE DIRECTOR'S MONTHLY REPORT

SEPTEMBER 2004

Each month I establish, with input from the Directors, the priority issues on which management and the staff focus. This report summarizes the work that was accomplished during the month as well as other items I feel will give the Council a better understanding of what the staff and I are doing to accomplish our performance objectives.

I. Improve the efficiency and accountability of management within the organization

- Close of FY 03-04. The Finance staff has closed the books on FY 03-04, earlier, and with less effort than last fiscal year. Their practice of regular and timely monthly closes throughout FY 03-04 was a significant reason that the year-end close was so smooth.
- R.O.E Ahead of Schedule and External Audit to Begin. The annual Report of Final Expenditures (R.O.E.) that is due to Caltrans each August 31, was submitted a week ahead of its due date this year. This report constitutes our final reconciliation of Consolidated Planning Grant (CPG) expenditures versus budget. The R.O.E. is a pre-requisite to commencing the annual Budget Amendment process.

The annual external audit conducted by the Regional Council's independent auditor, KPMG, will begin Tuesday, September 7. It is expected that the audit will take about one month at SCAG and then two weeks to complete post-review work.

II. Provide support to the Regional Council in providing direction and Leadership to SCAG

- On August 6th I gave a presentation on Truckways at Senator Nell Soto's Transportation Conference at Ontario City Hall. I presented the Goods Movement element of the Regional Transportation Plan and the conformity issues that the region was facing and how the State could help us.
- On August 13th I met with Assemblymember Jenny Oropeza regarding the North/South inequity in transportation fund allocation and the up-coming Bay Bridge funding issues.
- On August 18th I met with the California Transportation Commission leadership in Sacramento to discuss the funding crisis in California. The meeting was attended by the executive leadership of all the transportation agencies in the State. The purpose was to develop a communication program throughout the State highlighting the funding crisis that is in front of us as well as how to explain to the public the effect these reductions will produce.
- On August 19th I conducted an orientation briefing with Councilman Jim Aldinger, City of Manhattan Beach.

III. SCAG Operations

- Contracts. Nine Subregions have signed their Continuing Cooperative Agreements (CCAs) for FY 2004 – 2005 and Notice to Proceed has been issued to each. Two of the Subregions will not require a CCA this year as they have no projects in the OWP.

As of this date, 12 multi-year Consultant contracts have been given Notice to Proceed to resume their work in the current fiscal year. Four contracts are pending approval of MOUs with local entities for match or grant agreements. The balance of the four contract amendments are in various stages of the approval process.

Thirteen RFPs have been issued for the new consultant contracts for FY 2004 – 2005.

IV. Implement Adopted Regional Plans

- Maglev Deployment. On August 11, 2004, the City of Los Angeles Transportation Committee approved the recommendation from LADOT to move forward with the \$563,000 match for SCAG's Maglev program. An RFP to perform an Alternatives Analysis on the IOS will be released shortly.

On July 28th I met with Anthony Haswell of Tucson, Arizona and Joseph Vranich of Coach for America regarding SCAG's Maglev Plan. The purpose of their visit was for them to be briefed on our program and explore partnership with our region on its national Maglev program.

On August 24th I met with Mayor Ledford, City of Palmdale, Bob Toone, City Manager and Steve Williams, Director of Public Works to discuss Maglev.

The Chief Executive Officer's meeting was held on August 20, 2004

- 2004 RTIP/Conformity. During the past month, staff conducted inter-agency consultation to work towards resolving the funding and timely implementation issues and address the federal comments we had received. Critical conformity/RTIP issues were addressed during the following meetings:
 - Meeting with the FHWA on August 2, 2004
 - Regional Transportation Agencies Coalition (RTAC) meeting on August 3, 2004
 - Meeting with Los Angeles County Metropolitan Transportation Authority (LACMTA) staff on August 11, 2004 and on August 13, 2004 with MTA CEO and myself.
 - Ongoing teleconferences with county commission staff throughout the month of August.
 - The Transportation Conformity Working Group meeting on August 24, 2004

To date, the Riverside County Transportation Commission (RCTC) and the Orange County Transportation Authority (OCTA) have fully committed to ensuring the timely implementation of the projects identified. Additionally, the LACMTA has informed SCAG that they will be proceeding on September 23, 2004 with a Board action to ensure that all committed TCMs will be fully funded to meet established implementation schedules.

Although the obstacles with respect to the 2004 RTIP have been resolved, SCAG staff acknowledges that there will be continuing fiscal challenges and implementation issues over the long-term—potentially impacting the next RTIP cycle, the 2006 RTIP. Accordingly, SCAG in cooperation with the county transportation commissions will proactively seek transportation dollars that would ensure the timely implementation of critical projects. Longer-term strategies need to be considered and will be presented to you at the September meeting.

On August 13th I and Hasan Ikhata met with Roger Snoble and Jim DeLaLoza regarding the RTIP air quality conformity issues.

- COMPASS. Caltrans approved the Regional Council's recommendation selecting Fregonese Calthorpe Associates (FCA) to assist with Compass Implementation. This approval assures that we have continuity in the Compass program as we move into the critical implementation phase. The proposed scope, that builds upon past accomplishments, is an innovative and technically sound approach divided into three phases – Consensus Building, Monitoring and Training, and Demonstration Projects – intended to work with our local governments to make the adopted Vision's goals and benefits a reality.

On August 17th I met with Mayor Curt Pringle, City of Anaheim and Pat Neal of Fannie Mae at Anaheim City Hall regarding our Growth Vision and the development of a demonstration finance program with Fannie Mae and Anaheim on mixed-use development.

- Regional Comprehensive Plan. Staff has begun preparation of a new Regional Comprehensive Plan, and will present on the approach and preliminary products at the September CEHD meeting. The purpose of the RCP is to collect, consolidate, and translate Regional Council policies in order to promote external, independent action. The planning process will involve stakeholders, primarily local governments, in order to craft action plans and menus of options in response to regional policies. A draft of the plan will be completed this fiscal year, with a review and adoption process in the first half of next fiscal year.
- RHNA Discussion. Efforts to develop an equitable solution to implement the Superior Court's judgement in the RHNA litigation are continuing with meetings scheduled to take place in late August. A notice of appeal was filed by SCAG on August 16th. A meeting took place on August 27th between the officers and HCD executives. A full report will be presented to the Regional Council in September.

V. Develop Additional Planning Efforts

- Air Quality. On August 3–5, staff attended workshops presented by the Environmental Protection Agency (EPA) and the Federal Highway Administration (FHWA) on how to implement the new 8-hour ozone and fine particulate matter (PM_{2.5}) air quality standards that were recently promulgated by the EPA. During the workshops the federal agencies gave guidance on the new requirements and schedules. The new regulations require the SCAG region to make a conformity determination for the 8-hour ozone standard by June 15, 2005. A conformity determination for PM_{2.5} likely will be required by December 2005/January 2006. These conformity determinations do not restart the three-year conformity clock for the 2004 RTP and do not change the schedule of committed control measures, such as Transportation Control Measures (TCMs). Staff will continue to coordinate with the federal agencies to help ensure that the SCAG region adheres to these new regulations on schedule and to help improve air quality throughout Southern California.
- Water. I and Dan Griset are working with agency leaders from the City of Los Angeles Department of Sanitation, Los Angeles County Public Works, Los Angeles County Sanitation Districts, and the Coalition for Practical Regulation to determine interest in collaboration on water quality efforts related to the Los Angeles River (Some of these leaders are newly-established in their positions.). One issue in discussion

includes assisting the Regional Water Quality Control Board with its task of setting policy for the elimination of water impairments. Also under discussion is the creation of a process/entity by which local agencies can plan and implement the pollution control measures needed for compliance with the Board's water quality rules and standards. SCAG's main interest is facilitating an "area-wide" process that brings local agencies into a real partnership relationship with the Regional Board. This relationship would give local agencies the lead role in planning and implementing required compliance measures. In turn, the Regional Board's role would be to establish the water quality standards and other technical policy that make up the Basin Plan.

- LA LOTS (Land Use Opportunity Tracking System). Staff presented the LA LOTS project to the Statewide Infill Study group in Sacramento at the request of HCD. This is a web based infill evaluation tool developed through an IRP grant with UCLA's Advanced Policy Institute. LOTS analysis provides "point and click" data, charts and tables, assessor's data and aerial photos to focus in on development opportunities around LA County transit stations. The goal of LA LOTS is to reduce information barriers to infill development by evaluating infill potential within the context of recent development trends and the existing neighborhood profile. The LOTS presentation was well received by the Statewide Infill study group, with many expressing enthusiastic support for our research. The web address is Lots.ucla.edu.
- Tribal Nations Outreach. Staff is preparing draft material regarding Native American participation with SCAG which reflects outcomes at the previous summits.

VI. Data

Planning Data/GIS

- New RTIP Database User Group Formed. SCAG is developing a new RTIP database to replace the TranTrak system currently in use. This new database will have a web interface and GIS capability to allow both SCAG and the county transportation commissions (CTCs) to enter project data and generate reports related to the RTIP. The new RTIP database will be user friendly and meet Caltrans requirements and related updates. It will enable SCAG and CTCs to better programming and monitoring the respective transportation improvement projects. To assist the development of the new RTIP database, a formal RTIP Database User Group was formed including staff representatives from county transportation commissions and SCAG. The User Group held its first meeting on August 17, 2004 to discuss issues such as user requirements, technical data sharing issues, and individual agency's responsibilities.
- SCAG Joins Census Bureau's American Community Survey Pilot Study. The American Community Survey is a monthly survey conducted by the Census Bureau to derive current detailed data about the US population. As part of this program SCAG is participating in a pilot study for Los Angeles County to develop sub-county geographies for aggregation of the data. On August 11, 2004, SCAG hosted the pilot study group meeting.

Performance Assessment and Monitoring

- Southern California Survey Initiative. The UCLA Lewis Center for Regional Policy Studies is planning a Southern California Community Survey in 2005 and 2006 respectively. SCAG was invited to participate

in the Study Partner Group that met on August 3, 2004. The Study Partner Group provided input for the scope of the survey. The survey is planned to gather public opinions about the quality of life issues in Southern California including, for example, transportation, housing, civic engagement, economy/jobs, and emergency preparedness/homeland security. Survey results on the residents' perceptions of planning issues will be useful for many of the planning programs in SCAG. Staff has requested that the survey include all the six counties within the SCAG region.

VII. Legislative Program

- California Performance Review Report Released. On August 3rd, Governor Schwarzenegger released the California Performance Review (CPR) report, the result of an extensive process to scrutinize California government and propose steps to improve service and save money. The CPR Commission has scheduled a series of public workshops around the State through September 24th to receive input. SCAG is reviewing the CPR and will bring forward more information and analysis as it becomes available.
- State Legislature. The State Legislature adjourned for the session on August 28th, wrapping up floor debate for the two-year session. The governor may sign or veto bills until the end of September. AB 2158 (Lowenthal) and AB 2348 (Mullin) regarding RHNA reform, both advanced to enrollment and await Governor Schwarzenegger's review. The Regional Investment in Goods Movement, Highways and Transit (RIGHT) did not progress during the remainder of the session. SB 1210 (Torlakson), regarding design-build, has been enrolled; SB 1793 (McPherson) died on the floor. Proposition 42 protections like ACA 24 (Dutra) and ACA 29 (Harman) also did not advance.

In other legislative news, SCAG presented testimony to the Assembly Select Committee on the Alameda Corridor East (ACE) on August 13th. SCAG emphasized the regional importance of ACE, the need to maintain air quality conformity, and the importance of a fair distribution of transportation funds between Northern and Southern California.

- TEA-21 Reauthorization/Appropriations. Before leaving for the August break on July 26th, Congress passed a short-term bill that extends current transit authorizing law through September 30th and highway law through September 24th. With members returning on September 7, Congress has less than a month to conclude work on the 13 appropriations bills and to either complete work on a long-term reauthorization or to pass another temporary extension.